

EXHIBIT 164

10 HIGHLY CONFIDENTIAL
11 SUBJECT TO FURTHER CONFIDENTIALITY REVIEW
12
13
14 Videotaped deposition of LAURIE A. ZACCARO,
15 held at the offices of Buckley King, 1400 Fifth
16 Third Center, 600 Superior Avenue East, Cleveland,
17 Ohio 44114, on Wednesday, January 16, 2019,
18 commencing at 8:58 a.m., before Carol A. Kirk,
19 Registered Merit Reporter and Notary Public.

23 GOLKOW LITIGATION SERVICES
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24 deps@golkow.com

1 anyone on the phone?

2 THE VIDEOGRAPHER: And the court
3 reporter is Carol Kirk and will now
4 swear in the witness.

5 - - -

6 LAURIE A. ZACCARO

7 being by me first duly sworn, as hereinafter
8 certified, deposes and says as follows:

9 CROSS-EXAMINATION

10 BY MR. GADDY:

11 Q. Good morning, Ms. Zaccaro.

12 A. Good morning.

13 Q. Could you state your name for us,
14 please.

15 A. Laurie Zaccaro.

16 Q. And you work at Walgreens,
17 correct?

18 A. Yes, I do.

19 Q. Okay. How long have you been with
20 Walgreens?

21 A. Twelve years.

22 Q. As a function of your job with
23 Walgreens, have you ever had to give testimony
24 like this before?

1 A. Yes.

2 Q. Okay. In a deposition context or
3 trial or both?

4 A. Deposition.

5 Q. Okay. In what context was that?

6 A. It was with regards to safety and
7 security concerns in an outside parking lot of
8 one of our inner city stores.

9 Q. Okay. Did it involve some lawsuit
10 that was filed against Walgreens?

11 A. Yes.

12 Q. Okay. Did that case ever go to
13 trial that you know of?

14 A. I'm unaware.

15 Q. Okay. Outside of that, have there
16 been any other occasions in which you've given a
17 deposition before?

18 A. No.

19 Q. Okay. In the course of your work
20 with Walgreens, have you ever had the occasion
21 to testify at trial?

22 A. No, I have not.

23 Q. Okay. In the course of your work
24 with Walgreens, have you ever had the

1 opportunity to meet with or work with any law
2 enforcement?

3 A. Yes.

4 Q. Okay. Can you kind of describe
5 for me the circumstances generally in which that
6 would have occurred, and then maybe we can
7 follow up with some specifics.

8 A. With law enforcement, I support
9 external investigations that they may be working
10 on. And I also do ex- -- I'm -- like support
11 with DEA drug backs and take-backs and law
12 enforcement in community events.

13 Q. Okay. So I guess one thing I
14 should make clear is, you work in loss
15 prevention, correct?

16 A. Correct. I'm an asset protection
17 manager.

18 Q. Okay. And has that been your
19 title the entire 12 years you've been at
20 Walgreens?

21 A. Yes, it has.

22 Q. Okay. I see references within
23 some of the documents that I've looked at to
24 district loss prevention managers or regional

1 loss prevention managers.

2 How does -- where does asset
3 protection manager fall within there?

4 A. Since my position with the
5 company, our titles have changed --

6 Q. Okay.

7 A. -- a handful of times from loss
8 prevention supervisor, district loss prevention
9 manager, asset protection managers. All of our
10 responsibilities have always stayed the same.

11 Our titles have changed more than once, though.

12 Q. Okay. During your 12 years at
13 Walgreens, has the amount of responsibilities
14 that you have changed, as far as the number of
15 stores or the number of people that you're in
16 charge of?

17 A. Yes.

18 Q. Okay. Kind of walk me through
19 that progression, if you don't mind.

20 A. When I first started with the
21 company, we were in larger districts where I had
22 one district of -- if I remember correctly, 26
23 or 27 stores. In the last few years, there have
24 been some realigning with districts and sizes.

1 manager, five, six, seven, eight, nine -- ten or
2 eleven of us.

3 Q. Is it primarily loss prevention
4 folks in that office?

5 A. No, sir, it is not.

6 Q. Okay. Okay. So your current
7 territory includes Cleveland, it also includes
8 some areas of Columbus?

9 A. Correct.

10 Q. And was there another city that I
11 missed?

12 A. Cities down through between --
13 there's Mansfield is -- I go to Mansfield
14 locations and the suburbs, a lot of suburb
15 municipalities.

16 Q. Okay. Let me see if I can go back
17 to where I started originally and then I got
18 sidetracked. But I was asking you about meeting
19 with law enforcement.

20 A. Yes.

21 Q. Tell me what agencies -- and let
22 me first focus on the -- more the enforcement
23 side.

24 A. Okay.

1 Q. And then we can talk about the
2 community involvement side.

3 A. Okay.

4 Q. So as it relates to enforcement,
5 what agencies have you had the occasion to work
6 with during the course of your time at
7 Walgreens?

8 A. Ohio Board of Pharmacy primarily.
9 And then I -- with matters with external law
10 enforcement support, it varies. It depends on
11 what they might reach out to us for. It could
12 be identity theft. It could be prescription
13 doctor shopping with customers. It could be
14 with doctors and prescriptions, and I'm -- my
15 involvement with that is primarily getting them
16 the evidence that is subpoenaed for matters that
17 they're investigating.

18 Q. Okay. So --

19 A. It could be video. It could be
20 documents.

21 Q. -- is that primarily -- is that
22 generally with local law enforcement or is that
23 federal agencies or both?

24 A. Primarily that's with Ohio Board

1 of Pharmacy, with their investigators.

2 Q. Okay. Well, does the Ohio Board
3 of Pharmacy investigate the identity theft type
4 crimes that you were talking about?

5 A. No. That's more your local law
6 enforcement, but I don't have as many of those
7 as I do with the Board of Pharmacy.

8 Q. What's your typical case with the
9 Board of Pharmacy?

10 A. Theft.

11 Q. Of what?

12 A. Drugs.

13 Q. Okay.

14 A. They work with our pharmacy. I do
15 investigations on the front end merchandise of
16 the stores with cash, cigarettes, merchandise.
17 I conduct those investigations myself. But when
18 it's matters with anything with the pharmacy, we
19 notify the board and we work with the
20 investigators for pharmacy.

21 Q. Okay. So -- excuse me. Okay. So
22 just so we're clear, front end of the store is
23 everything that's not prescription drugs?

24 A. Correct.

1 Q. Is that fair?

2 A. Correct.

3 Q. Okay. And so anything that's
4 behind the counter that requires a prescription
5 would be something that's investigated by the
6 Board of Pharmacy?

7 A. Yes.

8 Q. Okay. And do you work with the
9 Board of Pharmacy, or is it more you supplying
10 them information? Do they have their own
11 investigators?

12 A. It varies. I work with them, with
13 the internal things that they can't do that's
14 there, like once we put -- once we alert them,
15 notify them, we talk about where our confirmed
16 losses are, and then they will either do what
17 camera and video they need to put in place or I
18 may shift around -- if it's Walgreens cameras
19 that are being used, I will review that video.
20 They will review their own video. It's in
21 connection together, really, the investigations
22 are.

23 Q. Okay. Have you worked with the
24 Board of Pharmacy on these types of issues your

1 entire 12 years at Walgreens?

2 A. Yes, I have.

3 Q. Okay. Okay. I want -- and then
4 the other issue that you brought up was your
5 work with law enforcement in the community
6 setting, correct?

7 A. Correct.

8 Q. Okay. And I know you've been
9 in -- I think you've told us you've been
10 involved in some of the drug take-back days that
11 the DEA puts on?

12 A. Yes.

13 Q. Okay. Anything else in that
14 regard?

15 A. No.

16 Q. Okay. Have you had any other
17 occasion other than those community events to
18 work with the DEA?

19 A. I believe in the past there was a
20 meeting that they've done with Walgreens, with
21 compliance and making sure proper processes are
22 followed and procedures are followed with the
23 reporting and just making sure that we're all
24 working together on that. There has -- I'm

1 going back and I'm vaguely remembering, but I've
2 had interactions with them for meetings, but
3 nothing with investigations --

4 Q. Okay. Do you recall --

5 A. -- that I can recall.

6 Q. Excuse me. And I'm sorry for
7 interrupting you.

8 A. That's okay.

9 Q. Do you recall attending any
10 meetings with the DEA?

11 A. I believe there was at least one
12 that I can recall that they were at our office,
13 and it was more about the processes of
14 reporting, more informative.

15 Q. Processes of reporting what?

16 A. Reporting losses, reporting if
17 there is fraudulent prescriptions and a process
18 they wanted us to follow, which I wouldn't be
19 involved in that. That would have been with
20 pharmacists to follow, but they give the
21 information to us, and our pharmacy supervisors
22 would have been there to then inform our
23 pharmacy managers and cascade that, making sure
24 that they're aware of the processes and

1 following the processes.

2 Q. Okay. And this kind of segues
3 into what I'm wanting to get into next, because
4 I want to make sure I kind of have an
5 understanding of exactly what your role is and
6 what your duties are.

7 Do you recall approximately when
8 that DEA meeting was?

9 A. No, I don't. It's been several
10 years.

11 Q. Okay. More than three years ago?

12 A. Yes.

13 Q. Okay. More than five years ago?

14 A. Maybe.

15 Q. Okay.

16 A. I don't know.

17 Q. Okay. And what I think I heard
18 you just say is that some of the topics that you
19 remember from that meeting involved reporting
20 thefts of prescription drugs to the DEA,
21 correct?

22 A. That is my area of work. I do
23 theft and losses.

24 Q. Okay. And -- okay. And the other

1 area that I think I heard you say was covered in
2 that meeting would have been identifying
3 fraudulent prescriptions?

4 A. I believe. I can't remember what
5 the agenda was. I know it was an informative
6 meeting of the DEA outlining processes for -- if
7 I recall correctly. It had a lot to do with --
8 there was a time I believe -- and I'm vaguely
9 remembering -- of how they wanted us to -- or
10 how they wanted the pharmacists, rather, to
11 report suspicion with fraudulent prescriptions
12 and notifications.

13 Q. That issue that you just said, the
14 pharmacists reporting suspicion with fraudulent
15 prescriptions, does that fall under your
16 purview?

17 A. No, it does not.

18 - - -

19 (Walgreens-Zaccaro Exhibit 1 marked.)

20 - - -

21 Q. Okay. I'm going to show you what
22 I've marked as Exhibit Number 1. This is a
23 resumé and a partial personnel file that was
24 provided to me.

1 Q. Okay. Are you seeing more
2 investigations because you have more stores?

3 A. No.

4 Q. Still about five to six a year?

5 A. Yes.

6 Q. Are you still reviewing exception
7 reports on a regular basis?

8 A. I do review them, but it is the
9 expectation of our pharmacy managers to review
10 those.

11 Q. Okay. Who has the primary
12 responsibility for reviewing the exception
13 reports?

14 A. The pharmacy manager and store
15 manager.

16 Q. Okay. And if the pharmacy manager
17 sees something like what you flagged here at
18 this particular store with the negative
19 adjustment of 488 on the controlled substance
20 hydrocodone, what is the pharmacy manager
21 supposed to do?

22 A. It varies. It depends on the
23 person. Some pharmacy managers will reach out
24 and say, "Hey, just so you know, if you see

1 this, this is what it was. This is what I was
2 able to determine."

9 Q. When you get involved into these
10 investigations, like you -- you know, you ask
11 for -- it looks like you ask the store
12 manager -- either the pharmacy manager or the
13 store manager to look into this, correct?

14 A. Yes.

15 Q. And I guess there's the
16 possibility they can write you back with an
17 explanation that would put it to rest; is that
18 fair?

19 A. Yes.

20 Q. Okay. And there's other times
21 where maybe the explanation isn't fully
22 sufficient or they're not able to give you a
23 good answer; is that fair?

24 A Yes

1 Q. In those situations -- I think
2 I've heard you mention an interview. Do you
3 take charge -- are you still in charge at this
4 point and are you doing follow-up or is it
5 turned over to the Board of Pharmacy?

6 A. So once a loss, a true loss, is
7 confirmed, I immediately notify our Board of
8 Pharmacy, an investigator. We then will plan
9 how to go forward. I will communicate next
10 steps and directives to the pharmacy manager on
11 how to go forward, which typically is counting
12 the drugs every day and doing it manually so we
13 know and confirm the loss. And then --

14 I lost my train of thought, the
15 question that you were trying to get to. What
16 was your question again?

17 Q. Sure. So -- I think you answered
18 it, but what I was asking about was where -- how
19 long you stay involved. And what I heard you
20 just say is, as soon as you confirm a theft,
21 it's turned over to the Board of Pharmacy?

22 A. No. I stay involved until the
23 end.

24 Q. Okay.

1 A. And I will do the interview with
2 the board investigator. The board investigator
3 will always lead the interviews, and if I need
4 to interject or ask questions, I will -- I'm
5 always given the opportunity at the end or I
6 will interject during the course of that
7 interview.

8 Q. Okay. Other than using these
9 exception reports for the purpose that we just
10 went over to identify loss or potential theft,
11 is there any other reason for which you utilize
12 the exception reports?

13 A. Compliance, making sure that --

14 Q. What do you mean by "compliance"?
15 Compliance with what?

16 A. Making sure that they're following
17 the right processes, posting or something like
18 that. Like if I'm identifying large overbuys.
19 I'll start looking into some of their receiving
20 and posting and then I'll challenge them on if
21 I'm noticing unposted receipts or receipts that
22 were posted weeks after the product was arrived.

23 So ...

24 Q. Okay. So that would be compliance